



THE CITY OF
HOBBS, NEW MEXICO

300 NORTH TURNER
CITY MANAGER'S OFFICE

HOBBS, NEW MEXICO 88240
(505) 397-9206

FAX (505) 397-9334

JIM-FY/ 4

March 4, 2004

Marshall Cohen
Louisiana Energy Services
1 Sun Plaza
100 Sun Lane NE, Ste. 204
Albuquerque, NM 87109

Dear Mr. Cohen:

At earlier meetings regarding the proposed National Enrichment Facility (NEF) the topic of water usage had been raised. The City of Hobbs staff had several discussions with representatives of your company about water supply issues since our water utility is a potential source of water for the proposed NEF facility.

As you know water is a critical issue throughout the southwest. On the table below I have listed the largest water customers of the City of Hobbs utility system in ascending order according to their average daily water usage.

<u>ORGANIZATION</u>	<u>AVERAGE WATER USAGE (Acre feet/year)</u>	<u>TYPE OF USE</u>
City of Hobbs	314	Ocotillo Golf Course
Wackenhut Correction	160	State Corrections Contractor
City of Hobbs	151	Del Norte Park
New Mexico Junior College	115	Higher Education
College of the Southwest	101	Higher Education
City of Hobbs	70	Cemetery
Private Corporation	58	
Private Corporation	47	
City of Hobbs	46	Washington Park

There are five other customers with average daily water usage greater than 22 acre feet per year.

Your facility would be our sixth largest water customer at 72 acre feet per year. About 200 of our average residential water customers also use a combined total of 72 acre feet per year. Since NEF does not plan to utilize our Wastewater Treatment Plant your facility would not contribute to the immediate challenges we face at that facility.

LES-01167

LES Exhibit 25

I feel that the proposed NEF project does not involve a major investment of the City's water resources in light of the tremendous potential benefit of strengthening and diversifying our local economy.

Respectfully,

THE CITY OF HOBBS, NEW MEXICO



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City Manager

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